

STATE OF CALIFORNIA
STANDARD AGREEMENT

STD 213 (Rev 06/03)

Exhibit E

AGREEMENT NUMBER

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

Department of Community Services and Development (CSD)

CONTRACTOR'S NAME

Department of Finance (Finance)

2. The term of this

Agreement is: April 1, 2010 through June 30, 2011

3. The maximum amount of

this Agreement is: \$350,000

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work 2 pages

Exhibit B – Budget Detail and Payment Provisions 2 pages

Exhibit C* – General Terms and Conditions GIA 101

Check mark one item below as Exhibit D:



Exhibit – D Special Terms and Conditions (Attached hereto as part of this agreement)

1 page



Exhibit – D* Special Terms and Conditions

Exhibit E – Additional Provisions

1 page

Items shown with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at www.ols.dgs.ca.gov/Standard+Language

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

Department of Finance

BY (Authorized Signature)

DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Debbie Chambliss, Chief, Administrative Services

ADDRESS

915 L Street, Sacramento, CA 95814

STATE OF CALIFORNIA

AGENCY NAME

Department of Community Services and Development

BY (Authorized Signature)

DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

**California Department of General
Services Use Only**



Exempt per:

EXHIBIT A
Scope of Work

PURPOSE OF AGREEMENT

This interagency agreement between the Department of Community Services and Development (CSD), and the Department of Finance, Office of State Audits and Evaluations (Finance), is for the purpose of acquiring professional services to perform desk reviews of CSD grantees' audit reports. These audit reports are prepared by Certified Public Accountants and submitted to CSD as a condition of the grant. Office of Management and Budget (OMB) Circular A-133 requires CSD to issue management decisions on audit findings within six months after receipt of the subrecipient's audit report. Finance's desk reviews of these audits will assist the CSD in complying with this requirement.

CSD estimates approximately 75 desk reviews to complete by June 30, 2011, and that each review takes approximately 60 hours to complete.

SCOPE OF WORK

Finance will perform/provide the following services:

1. Obtain and review grantee audit reports and supplemental management letters for the following attributes: compliance with applicable audit standards and accounting principles, proper presentation and disclosure, inclusion of OMB-required information, identification of audit findings or questioned costs, and sufficiency of auditee response and corrective action plan,
2. Conclude on the adequacy of the report/management letter and recommend follow-up actions for CSD to take with respect to either the grantee or the auditor, if any.
3. Reconcile reported grant expenditures with records maintained by CSD.
4. Prepare and submit a desk review memorandum to CSD for each audit. This memorandum is for CSD's internal purposes only and will summarize Finance's review results and recommendations. A softcopy of this memorandum will be provided to CSD utilizing the desk review letter templates. CSD will mail the letter to the Agency. CSD will handle all official correspondence with the grantee and auditor and issue its management decision on the audit report in accordance with existing procedures.
5. Submit the completed reviewers' file, including all supporting notes and documentation to CSD. Finance will not maintain a copy of this file.

CSD agrees to provide the following resources to complete the reviews:

1. Audit reports for review, including any supplemental management letters, if available. During the review of the audit report it may be discovered that a management letter was provided to the agency, but not submitted with the audit report. DOF will request a copy of the letter from the Agency.
2. Project expenditure reports.
3. Relevant correspondence and background information.
4. Applicable audit criteria and report reviewers' checklist.

EXHIBIT A
Scope of Work

5. A central contact person and personnel contact list for specific grants.

Project Representatives

The project representatives during the term of this agreement will be:

Requesting Agency: Department of Community Services and Development	Providing Agency: Department of Finance
Section/Unit: Audit Services Unit	Section/Unit: Office of State Audits & Evaluations
Name: Michael Fontaine, Audit Manager	Name: Rick Sierra, Assistant Chief
Address: P.O. Box 1947 Sacramento, CA 95812-1947	Address: 300 Capitol Mall, Suite 801 Sacramento, CA 95814
Phone: (916) 576-7120	Phone: (916) 322-2985, Ext. 3103
Fax: N/A	Fax: (916) 322-2618
E-Mail: MFontaine@csd.ca.gov	E-Mail: rick.sierra@dof.ca.gov

Direct all inquiries to:

Requesting Agency: Department of Community Services and Development	Providing Agency: Department of Finance
Section/Unit: Administrative Services	Section/Unit: Business Services
Name: Cathy Kurtz	Attention: Vicki Huntsman
Address: P.O. Box 1947 Sacramento, CA 95812-1947	Address: 915 L Street Sacramento, CA 95814
Phone: (916) 576-7115	Phone: (916) 445-1986, Ext. 3053
Fax: N/A	Fax: (916) 324-8223
E-Mail: CKurtz@CSD.ca.gov	E-Mail: vicki.huntsman@dof.ca.gov

EXHIBIT B
Budget Detail

BUDGET DETAIL

1. Payment Information

PAYMENT: In consideration of the performance of services as specified in Exhibit A, CSD agrees to pay Finance for actual costs, an amount not to exceed \$350,000 which shall constitute full reimbursement for all staff, facilities, travel, overhead and any computing equipment cost, calculated in accordance with Sections 8752 and 8752.1 of the State Administrative Manual. Payment shall be due upon presentation of monthly or periodic invoices summarizing actual hours and costs incurred. Nothing contained herein shall preclude advance payments pursuant to Article 1, Chapter 3, Part 1, Division 3, Title 2 of the Government Code.

To remit payment, CSD must submit a No Warrant Claim Schedule to the State Controller's Office for the invoice payment. The Claim Schedule (Std. Form 218) face sheet must prominently display the following information:

(1) **"No Warrant"**

(2) **"Payment required for payroll"**

(3) include Finance's reimbursement appropriation account information as follows:

0001 – 8860 – NNNN – 001 CAT 90 F 0001.

Note: Replace the **NNNN** with the fiscal year of the billing period, which is stated on the invoice.

Upon completion of the Claim Schedule, e-mail the following information to DOF.AR.Accounting@dof.ca.gov:

- 1) Finance invoice number
- 2) Invoice Date and Amount
- 3) Claim Schedule number.

Note: A scanned copy of the invoice with the claim schedule number is acceptable.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the state shall have no liability to pay any funds whatsoever to Finance or to furnish any other considerations under this Agreement and that Finance shall not be obligated to perform any provisions of this Agreement.

EXHIBIT B
Budget Detail

- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the state, or offer an agreement amendment to Finance to reflect the reduced amount.
- C. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement is delayed, any deadlines under this Agreement will be extended by the same number of days as the Budget Act delay. This could require an amendment to the term of the Agreement. If any required amendment further delays completion of the work, said deadlines will also be extended for the length of the amendment delay.

3. Estimated Billing Rates

The number and classification level of Financial and Performance Evaluators (FPE) devoted to this agreement will be determined by Finance. Staffing may change at Finance's discretion. Finance may also consult with a specialist. The hourly salary rates include benefits and overhead. Finance will only be reimbursed for actual costs up to \$350,000.

<u>Classification</u>	<u>Rate</u>
Manager - FPE	\$ 100.41
Supervisor - FPE	\$ 90.55
FPE III	\$ 80.32
FPE II	\$ 72.68
FPE I	\$ 63.92

Hourly rates are subject to change for general salary, benefits, and overhead increases/decreases. Hourly rate increases may require an amendment to the contract for additional funding. Costs of consulting with a specialist will be absorbed within the original amount of the contract and shall not be justification for an amendment to the contract for additional funding.

EXHIBIT D
Special Terms and Conditions

SPECIAL TERMS AND CONDITIONS

1. Cancellation Provisions

This agreement may be canceled at any time by either party, in writing with thirty (30) days advance notice. If canceled, payment shall be made only for performance authorized up to the date of cancellation. In the case of early termination, a final payment will be made to Finance upon receipt of an invoice covering all costs incurred which were previously authorized prior to notice of cancellation or termination.

EXHIBIT E
Additional Provisions

ADDITIONAL PROVISIONS

1. Disposition of Working Papers

All working papers and reviewers' files will remain the property of CSD. Such files will be submitted to CSD at the completion of each review.

2. Additional Professional Services

In the event CSD finds itself in litigation in respect to any work performed by Finance, and requires additional Finance services for that or any other reason, a separate interagency agreement will be developed to provide such services. Services outside the scope of this contract are not covered under this interagency agreement.

3. Public Records Act

Finance will not publicly distribute or post the results of its desk reviews on the internet.

However, in accordance with the California Public Records Act (Sections 6250-6270 of the Government Code), reports issued by Finance are made available, if requested, to members of the press and general public to the extent information contained therein is not subject to exemptions in the Act. On occasion this also includes providing copies of working papers, e-mails, and audit notes. When complying with a request for records, Finance will notify CSD.

4. Facsimile and E-Mail Transmissions

Upon execution of this agreement, all parties mutually authorize the transmission and receipt of any facsimile and e-mail documents required for project completion.